Рабочая программа дисциплины «Корпоративный риск-менеджмент»
(Corporate Risk Management)

для образовательной программы «Стратегическое управление финансами фирмы»
(1 курс)
направления 38.04.08 «Финансы и кредит»
подготовки магистра

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Руководитель департамента
И.В. Ивашковская_______________

Утверждена Академическим советом образовательной программы
«Стратегическое управление финансами фирмы»
«___»____________ 201_ г., № протокола_________________

Академический руководитель образовательной программы
А.Н. Степанова_________________
CORPORATE RISK MANAGEMENT

Syllabus

Sep, 2015

Faculty: Economics
Year: 2016/17
Course name: Corporate Risk Management
Level: Master, 1st year
Language of instruction: English
Period: Module 4
Credit: 3

Course Instructor and Contact Details:
Yury Dranov, dranioff@hotmail.com

COURSE DESCRIPTION
The course is designed for master students and represents an upper level course. This course discusses risk management from the perspective of non-financial corporations. The course examines various types of risks (market risks, credit risks and operational risks) and risk-management procedures in the context of the general framework of enterprise-wide risk management (ERM). The emphasis of the course is on theoretical approach of creating value with implementation of ERM rather than on the technical details of statistical measurement and pricing of derivatives. The course considers issues of risk measurement, risk aggregation, performance evaluation, capital allocation and strategic decision making. The course does not require extensive knowledge of mathematics and statistics. The course prerequisites are Corporate Finance 2 and Valuation.

COURSE OBJECTIVES
After the course student will know:
– main features of firm-wide risk management;
– key risk-management procedures applicable to market, operational and credit risks;
– how and when to use risk management procedures;

After the course student will be able to:
- Classify risks;
- Evaluate risk exposure;
- Describe the process of risk measurement, risk aggregation, performance evaluation, capital allocation and strategic decision making.

TEACHING METHODS
Lectures
Seminar sessions
Self-study
Group and individual work

**GRADING**
Your grade will be based on home assignments based on team work (case studies (80%)) and a written final exam (20%). You should work together in teams of 4-5 on your cases, and should hand in a joint solution with all of your names on it. There are 4 in-class case studies.

**ASSESSMENT**
- Group projects (case studies)
- Class participation
- Final exam

**COURSE OUTLINE**

**Topic 1. The Role of Risk Management.**

**Topic 2. Measuring Market Risks.**

**Topic 3. Managing Market Risks.**

**Topic 4. Measuring and Managing Credit Risk.**
Probability of default, loss given default and recovery rates. Credit scoring. Credit spreads. Contingent claim approach (Merton’s model) and the KMV Model. CreditMetrics™ and CreditRisk+. Default and default-time correlations. Risk mitigation techniques (including netting, rating triggers, and collateral). Credit derivatives, credit default swaps (CDS) and credit-linked notes.

**Topic 5. Operational Risk Measurement.** Financial risks besides market and credit risk. Risks due to deficiencies or mistakes from information systems and technologies,
internal procedures, personnel, external events. Operational internal (incompetency /fraud, model/transaction risk, info systems, software, data bases) and external (environmental factors, change in political and regulatory regime).Specifics of operating risks. The top-down approach. The bottom-up approach. Key indicators. P&L volatility and distribution unexplained by market and credit risks. Measure losses using conditional probabilities. Management of operation risks. Internal control system (general policy by top management, assessment of risks, control procedures, current monitoring).

**Topic 6. Firm-wide Risk Management Framework.**

**MAIN TEXTBOOK.**


**INDICATIVE READING LIST.**


DISTRIBUTION OF WORKLOAD

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